Supreme Court, U.S.
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No. 00-1541

IN THE

Supreme Court of the United States

THE LI SECOND FAMILY LIMITED PARTNERSHIP,

Petitioner,

v.

TOSHIBA CORPORATION and TOSHIBA AMERICA ELECTRONIC COMPONENTS, INC.,

Respondents.

On Petition for Writ of Certiorari to the United States Court of Appeals for the Federal Circuit

REPLY BRIEF

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Toshiba does not deny that the Courts of Appeals all too frequently undertake prohibited fact-finding.

Toshiba's primary objection to the first issue is that the word "routinely" is not found in any of the cited cases and, hence, is not supported by the string of representative cases cited in the Petition. (Opp., pp. 1-2, 7-8) Yet, Toshiba acknowledges that it is "not uncommon" and "not unusual" for a dissenting opinion to point out such unwarranted fact-finding by the majority. (Opp., pp.2, 8) Moreover, Toshiba does not dispute the string of cases cited by Petitioner. (Pet., pp. 8-13) Whether Toshiba's "semantical" objection is well-taken or not, the fact remains that all too often the Courts of Appeals undertake their own fact-finding to reach a desired result, as in this case.[1] This is an appropriate case for this

1. The Devils's Dictionary pointedly defines "appeal" as "In law, to put the dice into the box for another throw". Amerose-Bierce, The Devil's Dictionary, 14 (1911)

Court to impress upon the Courts of Appeals that such fact-finding is not a function of their appellate jurisdiction.

Toshiba's Opposition attempts to avoid the issue of *Li's knowledge* of a "ruling" of the Board that the Federal Circuit found to have been made "implicitly" (rejecting the District Court's finding that it was an "express statement") by focusing on the Board's opinion itself, rather than on Li's *knowledge* of the implied significance of that opinion. Thus, Toshiba asserts that the difference between "express" and "implicitly" is "only semantical and is not substantive" because the District Court and the Federal Circuit agreed that was the holding of the Board. (Opp., p.14)

This argument completely overlooks that the issue is not whether the Board so held (whether explicitly or implicitly), but whether Li knew of this ruling that was being made "implicitly". There is no finding that Li had such knowledge, only that he was aware of the Board's opinion. Toshiba contends that the Federal Circuit's reference, in conjunction with the word "implicitly," to "the reasoning behind the Board's decision" shows that the Federal Circuit adopted the District Court's "express statement" finding (Opp., p.14). Apart from the logical inconsistency of "implicitly" meaning "express," the dispositive factual issue was whether Li *knew* that the "reasoning" of the Board applied to "within 0.1 micron" as well as to "within 1.0 micron" and therefore the Board decision "implicitly" applied to the 0.1 micron. There is no express finding to this effect (and there would not be, as the District Court thought that the Board had made an "express statement"), so the Federal Circuit must have made such a finding on its own

sub silentio. [2]

As pointed out in the Petition, an "intent to deceive" is an essential element of "inequitable conduct" (Pet., p.6). Without a finding of knowledge of that which is allegedly withheld (i.e., applicability of the Board opinion to the "within 0.1 micron" limitation), there can be no such intent.

CONCLUSION

The writ should issue.

Respectfully Submitted,

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2. A recent commentary labeled the Federal Circuit's fact finding as "judicial hyperactivity". *Judicial Hyperactivity, The Federal Circuit's Discomfort With Its Appellate Role,* 15 Beckeley Tech. L. J. 725 (2000).